



House of Representatives

General Assembly

File No. 57

January Session, 2009

House Bill No. 5177

House of Representatives, March 11, 2009

The Committee on Labor and Public Employees reported through REP. RYAN of the 139th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING EMPLOYERS AND NOTICE OF AVAILABLE FEDERAL EARNED INCOME TAX CREDITS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective January 1, 2010*) Each employer shall post
2 in a conspicuous place a notice of the availability of earned income
3 credit allowable under Section 32 of the Internal Revenue Code of
4 1986, or any subsequent corresponding internal revenue code of the
5 United States, as from time to time amended, in such form and manner
6 as the Labor Commissioner determines. For the purposes of this
7 section, "employer" means a person engaged in business who has
8 employees, including the state and any political subdivision thereof.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>January 1, 2010</i>	New section
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LAB Joint Favorable

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill requires all employers to post in a conspicuous place a notice of the availability of the federal earned income tax credit (EITC) in a manner prescribed by the Labor Commissioner, and has no fiscal impact.

OLR Bill Analysis**HB 5177*****AN ACT CONCERNING EMPLOYERS AND NOTICE OF
AVAILABLE FEDERAL EARNED INCOME TAX CREDITS.*****SUMMARY:**

This bill requires all employers to post in a conspicuous place a notice of the availability of the federal earned income tax credit (EITC). The notice must be in a form and manner the state Labor Commissioner determines. It applies to any person engaged in business who has employees, including the state, municipalities, and other political subdivisions.

EFFECTIVE DATE: January 1, 2010

BACKGROUND***EITC Requirements***

The EITC is available to a person who earns wages and whose federal adjusted gross income (AGI) falls below certain limits. For 2008, a person qualifies for a EITC if he or she has at least \$1 of earned income, investment income of \$2,950 or less, and a maximum AGI and maximum earned income of:

1. \$12,880 (\$15,880 for married filing jointly) with no children,
2. \$33,995 (\$36,995 for married filing jointly) with one child, and
3. \$38,646 (\$41,646 for married filing jointly) with two or more children.

Income limits and credit amounts are adjusted annually for inflation (26 USC § 32).

ETIC Credits

The maximum credits for 2008 are: (1) \$438 with no children, (2) \$2,917 with one child, and (3) \$4,824 with two or more children.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable

Yea 8 Nay 3 (02/26/2009)